

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK**

SABRINA HART and REKA FUREDI
on behalf of themselves and all
others similarly situated, and the
New York Rule 23 Class,

Plaintiffs,

v.

RICK'S CABARET INTERNATIONAL, INC.,
RCI ENTERTAINMENT (NEW YORK) INC.,
PEREGRINE ENTERPRISES, INC.,

Defendants.

Case No. 09-CV-3043 PAE/RLE

**SECOND DECLARATION OF
DAVID L. CRAWFORD, PH.D.**

1. My name is David Crawford.
2. I am an economist and the President of Econsult Corporation.
3. Exhibit 1 contains my revised *Curriculum Vita*, which includes a list of my publications in the last 10 years, and a list of testimony experience in the last 4 years.
4. I have been retained by Nichols Kaster, counsel for the Class and Collective of entertainers who worked at Rick's Cabaret in New York (hereafter "Rick's") during the period September 21, 2005 through October 31, 2012.
5. I submit this Declaration in support of Plaintiffs' Reply in Support of their Motion for Partial Summary Judgment on Damages.
6. I have prepared the following reports, which I understand have been submitted to the Court and to Defendants in this litigation: January 27, 2014 Expert Report of David L. Crawford, Ph.D., February 17, 2014 Corrections to Expert Report of David L. Crawford, Ph.D., March 11, 2014 Second Corrections to Expert Report of David L. Crawford, Ph.D., and July 21, 2014 Declaration of David L. Crawford, Ph.D. I have prepared this Second Declaration at the

request of counsel for the Class and Collective.

7. Since completing my July 21, 2014 Declaration, I have received and reviewed the August 11 Declaration of Paul F. White, Ph.D. and Defendants' Memorandum of Law in Opposition to Plaintiffs' Partial Motion for Summary Judgment on Damages.

8. At the request of Plaintiffs' Counsel, I have analyzed the 2,887 observations within the Method 1 NYLL Summary Judgment Records and Method 1 FLSA Summary Judgment Records (as defined in my July 21, 2014 Declaration) for which the login dates and times were exact duplicates (same date, hour, and minute) of any other record within the dataset.¹

9. Among the 2,887 Summary Judgment records that involve individuals logging in at the same time:

- a. 2,517 (87.2%) of those were an occasion when 2 individuals logged in at the same time;
- b. 197 (6.8%) involve 3 individuals logging in at the same time;
- c. 115 (4.0%) involve 4 individuals logging in at the same time;
- d. 33 (1.1%) involve 5 individuals logging in at the same time;
- e. 5 (0.2%) involve 6 individuals logging in at the same time;
- f. 15 (0.5%) involve 7 individuals logging in at the same time;
- g. 5 (0.2%) involve 8 individuals logging in at the same time; and
- h. 0 (0.0%) involve more than 8 individuals logging in at the same time.

10. I maintain that the methodology used in my earlier reports is valid and reliable, as are the calculations derived therefrom and presented in my July 21, 2014 Declaration.

¹ Dr. White identified 1,899 records within the 57,823 Method 1 NYLL Summary Judgment Records with a login that matches another login within those 57,823 records. In the interest of completeness, I have compared the 57,823 records against the entire dataset.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct.

DATED: August 18, 2014

A handwritten signature in cursive script, reading "David L. Crawford".

David L. Crawford, Ph.D.

EXHIBIT 1

CURRICULUM VITAE OF DAVID L. CRAWFORD, PH.D.

July 2014

Econsult Corporation
1435 Walnut Street, Suite 300
Philadelphia, PA 19102
Voice: (215) 382-1894
E-mail: crawford@econsult.com

EDUCATION

University of Wisconsin, Madison, 1972-1976

Ph.D. Economics, 1979

M.S. Economics, 1974

University of North Carolina, Chapel Hill, 1968-1972

B.A. with Honors, Economics, 1971

Phi Beta Kappa

CURRENT POSITIONS

President and Founder, Econsult Corporation, Philadelphia, PA, since 1979. Provides economic and statistical consulting for private firms and government agencies including expert testimony (PA, NJ, NY and federal courts) and other economic and statistical analyses. Litigation experience includes employment discrimination, wage and hour claims, employment termination, personal injury and wrongful death, damage analysis, antitrust, and intellectual property. Non-litigation experience includes extensive consulting on human resource management issues for private employers and public employers, including the Administrative Office of the Pennsylvania Courts, the First Judicial District of the Commonwealth of Pennsylvania, the Pennsylvania Convention Center Authority, Delaware County (Pennsylvania), Philadelphia Community College, the Colonial School District (Pennsylvania), the Philadelphia School District, and the Bermuda Ministry of Finance.

Senior Fellow, Management Department, The Wharton School, University of Pennsylvania, Philadelphia, PA, since July 2014. Affiliated with the Center for Human Resources.

Instructor, The Fels Institute of Government, University of Pennsylvania, Philadelphia, PA, since June 2013. Teaching microeconomics and statistics in the Fels Institute's Master of Public Administration and Executive Master of Public Administration programs.

Senior Advisor, Philadelphia Mayor's Advisory Council on Construction Industry Diversity, since 2008.

Burlington County (NJ) Democratic Committeeman, Medford District 7, Elected June 2010; re-elected June 2012 and June 2014.

PAST ACADEMIC POSITIONS

Adjunct Professor of Management, The Wharton School, University of Pennsylvania, Philadelphia, PA, 1991-2014. Taught microeconomics and human resource management to students in the Wharton MBA, Executive MBA, and undergraduate programs. Received Wharton Dean's Award for Excellent Teaching in the MBA Core Curriculum (1992) and Wharton Executive MBA Core Teaching Award (1997, 2005, 2006, and 2009).

Various Adjunct Faculty Positions in the Departments of Management and Economics, University of Pennsylvania, Philadelphia, PA, 1984-1996. Taught microeconomics and human resource management to students in the Wharton MBA and Executive MBA programs. Also taught microeconomics and labor economics to undergraduates. Taught microeconomics in the Engineering School's Executive MSE program and statistics in the graduate program of the Annenberg School for Communication. Received Excellence in Teaching Award from Wharton MBA students (1987) and Irving B. Kravis Prize for Distinction in Undergraduate Teaching in Economics (1991).

Member, Board of Senior Scholars, The National Center on the Educational Quality of the Workforce, University of Pennsylvania, Philadelphia, PA, 1991-1996.

Assistant Professor of Economics, Rutgers University, New Brunswick, NJ, 1981-1985, on leave 1984-1985. Taught introductory and intermediate microeconomics to undergraduates.

Assistant Professor of Economics, University of Pennsylvania, Philadelphia, PA, 1979-1982, on leave 1981-1982. Taught introductory economics, undergraduate statistics, undergraduate labor economics, and graduate econometrics.

Lecturer of Economics, University of Pennsylvania, Philadelphia, PA, 1976-1979. Taught introductory economics, undergraduate statistics, undergraduate labor economics, and graduate econometrics.

PAST GOVERNMENT POSITIONS

Member, Program Evaluation Committee, Philadelphia 21st Century Review Forum, Appointed by Mayor John Street, 2004.

Chairperson, New Jersey State Council on Vocational Education. Appointed to Council by Governor Florio; Elected chairperson by Council members; 1991-1994.

Commissioner, New Jersey State Employment and Training Commission. Appointed by Governor Florio; Chairperson of Occupational Education Task Force; Member of Executive Committee, 1990-1994.

Member, Philadelphia Naval Shipyard Labor and Retraining Committee. Appointed by the Director of Commerce of the City of Philadelphia.

Executive Director, Secretary's Commission on Workforce Quality and Labor Market Efficiency, U.S. Department of Labor, Washington, DC, 1988-1989. Appointed by Secretary Ann McLaughlin.

OTHER PAST POSITIONS

Treasurer, Medford NJ Democratic Club, July 2012 through December 2013.

Co-Manager of Campaign of Brett Maria Blyshak, Becca Gutwirth, and George Youngkin for Medford (NJ) Township Council, 2013.

Member of Board of Directors, Fairmount Capital Advisors, Inc., 2010-2012.

Senior Advisor to George and Nancy Youngkin's Campaign for Medford (NJ) Township Council, 2012.

Policy Advisor, Philadelphia Mayoral Campaign of Michael Nutter, 2006-7.

Policy Advisor, Pennsylvania Gubernatorial Campaign of Lynn Yeakel, 1994.

Director, Employment Management Association Foundation. Elected by Board of Directors, 1993-1995.

PUBLICATIONS AND WORKING PAPERS

"The Pinelands Branch Library and Its Place in the Burlington County Library System," June 13, 2013.

"The Budget Deficit: Why It Doesn't Matter," *Philadelphia Inquirer* Op-Ed, July 19, 2011.

"Should Governments Cut Fuel Taxes? No!" *Business Spotlight*, November-December 2008, p. 26.

"Oil Futures' Are a Phony Target" *Philadelphia Daily News* Op-Ed, August 4, 2008.

"We Need a Gas-Tax Hike, Not a Tax Holiday" *Philadelphia Daily News* Op-Ed, May 12, 2008 (with Richard Voith).

"It's Going to Cost Whatever It Costs" *Philadelphia Daily News* Op-Ed, September 20, 2005.

"George W. Bush, CEO: How's He Doing?" *Philadelphia Daily News* Op-Ed, October 12, 2004.

"Smart Growth and Affordable Housing," Chapter 3 of *Growth Management and Affordable Housing – Do They Conflict?*, Brookings Institution Press, 2004 (with Richard Voith).

"Performance-Based Pay for Teachers Will Work," *Philadelphia Daily News* Op-Ed, October 20, 2003 (with Anita Summers).

"Convention Center Deal: Truly a Grand Slam," *Philadelphia Daily News* Op-Ed, July 24, 2003.

PUBLICATIONS AND WORKING PAPERS (continued)

"Unify the Workforce," *Philadelphia Inquirer Op-Ed*, June 13, 2003.

"Simple Inference in Multinomial and Ordered Logit," *Econometric Reviews*, 17(3), 289-299 (1998) (with Robert Pollak and Francis Vella).

"Schools and Labor Market Outcomes," *Economics of Education Review*, June 1997, 255-269 (with Amy W. Johnson and Anita A. Summers).

"Managing Diversity," *Next Step*, Winter 1997.

"Introduction" (Chapter 1) and "Conclusion" (Chapter 8) of *The Social Benefits of Education*, edited by Jere R. Behrman and Nevzer G. Stacey, The University of Michigan Press, (with Jere R. Behrman and Nevzer G. Stacey), Winter 1997.

"Workforce Diversity: Sources and Implications," *Next Step*, Fall 1996.

"Investing in People," *Chief Executive*, October 1990. Reprinted in J.P. Donlon, editor, *The Best of Chief Executive*, Homewood, Illinois: Business One Irwin, 1993.

"Labor Economics and Public Policy," in *Labor Economics and Public Policy*, volume in *Research in Labor Economics* series, edited by Laurie J. Bassi and David L. Crawford, JAI Press, (with Laurie J. Bassi), 1990.

"Labor Union Objectives and Collective Bargaining," *Quarterly Journal of Economics*, August 1984, 547-66 (with Douglas H. Blair). Reprinted in P. Garonna, P.A. Mori, and P. Tedeschi, editors, *Economic Models of Trade Unions*, London, UK: Chapman and Hall, 1991. To be reprinted in A. L. Booth, editor, *The Economics of Labor Unions*, Cheltenham, UK: Edward Elgar, 2002, as part of *The International Library of Critical Writings in Economics*.

"New Evidence on the Labor Supply Elasticity of Prime-Aged White Males," *Bureau of Economic Research Working Paper 82-9*, Rutgers University, December 1982.

"A Note on Misspecification and Univariate Truncation," June 1982.

"Order and Inference in Qualitative Response Models," *Bureau of Economic Research Working Paper 82-4*, Rutgers University, June 1982. (with Robert A. Pollak).

"Production Function Estimates of Capacity Utilization," (with G. Fromm, L.Klein, M. Prywes, and F. Ripley), 1980.

"School Performance," Part IV, Chapter 12, *Rural Income Maintenance Experiment Final Report*, (with Rebecca Maynard), 1977.

"The Wage Work Response of Elderly Heads," Part IV, Chapter 7, *Rural Income Maintenance Experiment Final Report*, 1977.

PUBLICATIONS AND WORKING PAPERS (continued)

"The Wage Work Response of Female Heads," Part IV, Chapter 5, *Rural Income Maintenance Experiment Final Report*, (with Steven G. Garber), 1977.

"Estimating Earnings Functions from Truncated Samples," *Institute for Research on Poverty Discussion Paper 287-75*. University of Wisconsin, July 1975.

BOOK EDITED

Labor Economics and Public Policy, volume in *Research in Labor Economics* series, JAI Press, (with Laurie J. Bassi), 1990.

EXPERT TRIAL AND DEPOSITION TESTIMONY OF
DR. DAVID L. CRAWFORD, Ph.D.
Since June 2010

1. *Thomas E. Perez, Secretary of Labor, United States Department of Labor v. American Future Systems, Inc. d/b/a Progressive Business Publications, a corporation; and Edward Satell, individually and as President of the above referenced corporation*, U.S. District Court for the Eastern District of Pennsylvania, No. 12-6171. Testified for plaintiffs in wage and hour case. (Deposition – April 2014)
2. *Sabrina Hart and Reka Furedi, Individually and on behalf of those similarly situated and the New York Rule 23 Class v. Rick's Cabaret International, Inc., RCI Entertainment (New York), Inc., and Peregrine Enterprises, Inc.*, Case No. 09-CV-3043 (S.D.N.Y.) Testified for plaintiffs in wage and hour case. (Deposition – March 2014)
3. *Office of Federal Contract Compliance Programs v. Bank of America*, Case No. 1997-OFC-16, SOL Case No. 96-10335. Testified for OFCCP in employment discrimination case. (Trial – March 2013)
4. *Noreen Lewis v. Toyota Motor Company, et al.*, Philadelphia County Court of Common Pleas, No. 1088. Testified for defendants in personal injury case. (Trial – March 2013)
5. *Jesus Hernandez. et al. v. Ashley Furniture Industries, Inc., et al.*, U.S. District Court for the Eastern District of Pennsylvania, No. 10-05459(BMS). Testified for plaintiff in wage and hour case. (Deposition – January, February 2013)
6. *Mark S. Groff v. City of Reading, Pennsylvania and William M. Heim, individually*, U.S. District Court for the Eastern District of Pennsylvania, No. 11-CV-03641. Testified for plaintiff in employment termination case. (Trial – December 2012)
7. *Office of Federal Contract Compliance Programs v. VF Jeanswear Limited Partnership*, Case No. 2011-OFC-00006. Testified for OFCCP in employment discrimination case. (Deposition – September 2012)
8. *Office of Federal Contract Compliance Programs v. Bank of America*, Case No. 1997-OFC-16, SOL Case No. 96-10335. Testified for OFCCP in employment discrimination case. (Deposition – June 2012)
9. *Tanya Youngblood, et al. v. Family Dollar Stores, INC., et al.*, U.S. District Court for the Southern District of New York, 09 Civ. 3176 (RMB) and 10 Civ. 7580 (RMB). Testified for plaintiffs in Fair Labor Standards Act case. (Deposition – April 2012)
10. *William Douglas Fulghum, et al. v. Embarras Corporation, et al.*, U.S. District Court for the District of Kansas, No. 07-CV-2602 (EFM/JPO). Testified for plaintiffs in age discrimination case. (Deposition – December 2011)

11. *Alia Sabur v. Yury Gogotsi and Drexel University*, Philadelphia County Court of Common Pleas, No.001411. Testified for plaintiff in defamation case. (Trial – June 2011)
12. *Cristina G. Tarca and Dumitru Tarca, h/w v. Norristown Ford and Norristown Automobile Co., Inc., individually and d/b/a Norristown Ford and Irvin Johnson*, Montgomery County Court of Common Pleas, No. 07-25935. Testified for plaintiffs in personal injury case. (Trial – May 2011)
13. *Roberto Ramos et al., , individually and on behalf of all other persons similarly situated who are or were employed by SimplexGrinnell LP with respect to Public Works Projects v. SimplexGrinnell LP*, U.S. District Court for the Eastern District of New York, 07 Civ. 0981 (NG)(SMG). Testified for plaintiffs in prevailing wage case. (Deposition – August 2010)